



Employees' Retirement Board of Rhode Island
Monthly Meeting Minutes
Wednesday, July 9, 2014
9:00 a.m.
2nd Floor Conference Room, 50 Service Avenue

The Monthly Meeting of the Retirement Board was called to order at 9:07 a.m. Wednesday, July 9, 2014, in the 2nd Floor Conference Room, 50 Service Avenue, Warwick, RI.

I. Roll Call of Members

The following members were present at roll call: General Treasurer Gina M. Raimondo; Vice Chair William B. Finelli; Gary R. Alger, Esq.; Michael R. Boyce; Mark A. Carruolo; Richard A. Licht; John P. Maguire; John J. Meehan; Thomas A. Mullaney; Claire M. Newell; Louis M. Prata and Jean Rondeau.

Also in attendance: Frank J. Karpinski, ERSRI Executive Director and Attorney Michael P. Robinson, Board Counsel.

Recognizing a quorum, Treasurer Raimondo called the meeting to order.

II. Approval of Minutes

On a motion by John P. Maguire and seconded by Claire M. Newell, it was unanimously **VOTED: To approve the draft minutes of the June 18, 2014 meeting of the Retirement Board of the Employees' Retirement System of Rhode Island.**

III. Chairperson's Report

Treasurer Raimondo requested Deputy Treasurer Mark Dingley, Esq., to provide the Board with an update on the pension reform litigation. Attorney Dingley said there was a hearing last Tuesday but as of yet, there are no results from the Judge. He noted the next court date would be August 5th.

Treasurer Raimondo noted to the Board that typically there is not an August Retirement Board meeting and asked the Board for a motion to not have an August Board meeting but to have the ability to call one if necessary.

On a motion by Louis M. Prata and seconded by Thomas A. Mullaney, it was unanimously

VOTED: That there be no August 2014 meeting of the Retirement Board but with the ability to call one if necessary.

Chairman Finelli informed the Board that next month's Disability Subcommittee meeting has been rescheduled to August 15, 2014 instead of August 8, 2014.

IV. Executive Director's Report

Director Karpinski apprised the Board that they were in possession of the Pension Application Report and the Disability Subcommittee Report.

The Director then updated the Board that on the computer system project and noted that the Microsoft Dynamics AX accounting system went live effective July 1, 2014. He noted the second implementation would be the conversion of the pension payroll, which is scheduled for the January 2015 pension payroll.

Director Karpinski updated the Board on the "*Report of Contributions*" delinquency report in the Board book. He noted that the Town of New Shoreham is now current as of June 14, 2014. The Director noted that the two groups that are still outstanding are the East Greenwich Fire District (NC) and the Warren Housing Authority (both are one payroll behind); and as is standard practice, those remaining delinquent will be dealt with using the normal collection of funds procedure.

V. Administrative Decisions

Disability Appeal – Linda J. Acciardo vs. ERSRI

Included in Board Members' Books, under separate cover, were the Findings of Fact as concluded by the Disability Subcommittee, transcripts from the appeal of the Disability Subcommittee, medical and supporting information in the matter of *Linda J. Acciardo vs. ERSRI*. Attorney Robinson asked if consistent with Regulation Number 9, *Rules pertaining to the application to receive an Ordinary or Accidental Disability Pension*, there were any written briefs, legal memoranda, or exceptions to the conclusions and recommendation of the Disability Subcommittee, which must have been submitted to the Executive Director not later than 10 days prior to the hearing. Director Karpinski apprised the Board that all the information that was received relative to the case from the Disability Subcommittee was included in the Board members' books with the exception of the May 29, 2014 letter submitted by Attorney Acciardo seeking an appeal to the Retirement Board from the decision of the Disability Subcommittee.

Attorney Robinson then said that pursuant to ERSRI's regulations, each party to the proceeding has the right to appear and to make oral arguments before the Retirement Board. Consistent with the Board's long standing policy, he apprised the appellant's attorney that this is not an opportunity to present new factual material or evidence to the Board, and that pursuant to ERSRI's regulations and Rhode Island case law, the Board owes deference to the Disability Subcommittee on factual determinations and questions of credibility, and will not overturn those determinations of fact or credibility unless such determinations are found to be clearly wrong.

Attorney Robinson asked Attorney Acciardo if his client would be providing any testimony and Ms. Acciardo was sworn in by the stenographer. There being a stenographer present, Attorney Robinson then provided a synopsis of the matter. The parties thereafter presented their respective positions.

At the conclusion of the presentations, a motion was made by Jean Rondeau and seconded by Mark A. Carruolo to uphold the decision of the Disability Subcommittee to deny the accidental disability application. A roll call was taken, and the following members voted Yea: General Treasurer Gina M. Raimondo; Vice Chair William B. Finelli; Gary R. Alger, Esq.; Michael R. Boyce; Mark A. Carruolo; Richard A. Licht; John

P. Maguire; John J. Meehan; Thomas A. Mullaney; Claire M. Newell; Louis M. Prata and Jean Rondeau.

There being 12 votes cast, 12 voted in the affirmative, consistent with Rhode Island General Laws §36-8-6, *Votes of the Board -- Record of Proceedings*, there being a majority vote of the members present and voting at which a quorum is present, it was then

VOTED: To uphold the decision of the Disability Subcommittee in the matter of *Linda J. Acciardo vs. ERSRI* denying her application for an accidental disability benefit.

VI. Approval of the June Pensions as Presented by ERSRI

On a motion by Jean Rondeau and seconded by Thomas A. Mullaney, it was unanimously

VOTED: To approve the June pensions as presented.

VII. Legal Counsel Report

Attorney Robinson had no updates to report to the Board at the meeting and there were no questions from the Board.

VIII. Committee Reports

Disability Subcommittee:

The Disability Subcommittee recommended the following actions on disability applications for approval by the full Board as a result of its meeting on Monday, July 7, 2014:

Name	Membership Group	Type	Action
1. Regina Socree	State	Accidental	Deny
2. Jennifer Leyden	Teacher	Accidental	Postpone
3. Michael Stevens	Municipal	Accidental	Postpone
4. Suzanne Leclair	State	Accidental	Postpone
5. Jennifer Palumbo	Teacher	Accidental	Deny

Name	Membership Group	Type	Action
6. Stephen Costa	Municipal	Accidental	Approve
7. Donna Washington	State	Accidental	Approve at 50%
8. Richard Depari	Municipal	Accidental	Deny
9. Maryann Amaral	Teacher	Ordinary	Postpone
10. Debra Beattie	Teacher	Ordinary	Approve
11. James Smithers	Teacher	Ordinary	Approve
12. Elizabeth Digiorgio	State	Ordinary	Approve

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Monday, July 7, 2014 on items 1, 4, 7 and 12.

Claire M. Newell recused herself from the vote on numbers 1, 4, 7 and 12.

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Monday, July 7, 2014 on items 2 and 10.

John P. Maguire recused himself from the vote on numbers 2 and 10.

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Monday, July 7, 2014 on items 3, 5, 6, 8, 9 and 11.

Mr. Finelli asked Mr. Licht about State employee and Teacher retirees who will no longer be offered group UHC Medicare Advantage or the UHC Supplemental 65 plans effective October 1, 2014. He noted ERSRI retirees received letters stating that their coverage will be changing and they will be required to choose new options being offered after attending sessions.

Mr. Licht provided some insight to Mr. Finelli's questions and mentioned those affected are post 65 years of age (required to have Medicare) and not pre 65 years of age. Mr. Licht noted that the method of payment would be the alteration. He noted that currently a premium is deducted from a retiree's pension check and prospectively, the retiree will have an account that is funded by the State to pay for coverage, which the retiree may elect from a health exchange.

Mr. Finelli addressed his concern about the compatibility of one's current plan. Mr. Licht told the Board that the current plan's coverage will be comparable as well as the cost under the new plan. Mr. Licht said any questions/comments from retirees regarding health coverage should be directed to call the ***One Exchange Medicare*** customer service support line (1-844 448-7298).

Mr. Licht then thanked the Board and said he enjoyed serving on the Board and hoped Rhode Islanders realize what an astute group of well-informed, open-minded, caring, prepared members serve on the Retirement Board. He said it has been an honor to serve on the Board and thanked the members for their kindness and consideration wishing them well in their continued Board services. Treasurer Raimondo and Director Karpinski acknowledged their gratitude to Mr. Licht thanking him for his service on the Retirement Board and wished him well on his new appointment as a Judge to the Rhode Island Superior Court.

IX. Adjournment

There being no other business to come before the Board, on a motion by William B. Finelli and seconded by John P. Maguire, the meeting adjourned at 9:54 a.m.

Respectfully submitted,

Frank J. Karpinski
Executive Director